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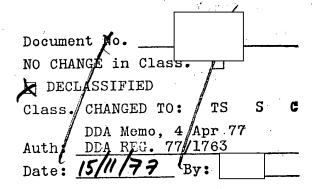
SUBJECT: Estimate of the Situation in the Event of War During FY 1952

REFERENCES: A. ABAI 5

B. Intelligence Menorandum No. 125

- C. Memorandum for the Aust. Dir., R & E, from the CIA Rep., JIG, 24 Feb. 49.
- 1. The present memorandum is in response to Reference C.
- 2. Enclosure A is a draft of assumptions pertinent to an estimate, such as ABAI 5, of Soviet intentions and capabilities in the event of war during FY 1952.
- 3. Enclosure B is an estimate of political, psychological, and economic factors pertinent to the problem indicated in Enclosure A and based on the assumptions stated therein.
 - 4. For further discussion in support of the Enclosures see:

ORE 58-48, 30 July 48 IM-58, 17 September 48 ORE 41-49, 24 February 49



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ENCLOSURE "A"

SOVIET INTENTIONS AND CAPABILITIES - 1952

THE PROBLEM

1. To estimate Soviet intentions and capabilities in the event of war during FI 1952.

ASSUMPTIONS

- 2. The problem assumes the outbreak of a general war during FY 1952 as a result of Soviet aggression.
 - 3. It is also assumed that, at the outbreak of war:
 - A. The existing military occupation of Germany, Austria, and Japan will still be in effect.
 - h. The European Recovery Program will have resulted in greater economic and political stability in Western Europe.
 - g. A North Atlantic Pact providing for a system of collective security embracing the United States, Canada, Great Britain, Iceland, Norway, Denmark, the Benelux countries, France, Portugal, and Italy will have been adopted and implemented.
 - d. Substantial US military aid will have been provided to the participants in the North Atlantic Pact and also to Austria, Greece, Turkey, Iran, Korea, and the Philippines, but this aid will not have been sufficient to permit any continental recipient to resist Soviet invasion successfully without direct US military support.
 - e. The situation in the Neer and Middle East will be relatively stable, despite underlying tensions. In China the Communists will control the national government, but their actual local control over extensive areas and their relations with Moscow will remain uncertain. The situation in Southeast Asia will remain unstable.

ENCLOSURE "B"

ESTIMATE OF THE SITUATION IN THE EVENT OF WAR DURING FY 1952

THE ENEMY SITUATION

POLITICAL AND PSYCHOLOGICAL

1. Soviet war sims. The rulers of the USSR have as their ultimate objective a Communist world order under their own domination. The role of the USSR in the attainment of this objective is to provide a secure base and powerful support for the international Communist movement. Soviet resort to war in the circumstances envisaged in the Assumptions presupposes a conviction on the part of the Kremlin that the progressive economic recovery, political coalescence, and military rehabilitation of Western Europe pose an intolerable threat to the security of the Soviet Union, or at least such an obstacle to the attainment of its ultimate objective as could be overcome only by military force, and that it had become imperative to act before the relative strength of the West had been further enhanced.

The immediate Soviet objective in resorting to war, then would be to smash the supposedly hostile alliance of the West and to subject Europe and the Near East to Soviet military domination. A consequent objective would be to convert the resources of the conquered area to Soviet use, greatly enhancing the potential strength of the USSR in relation to that of the surviving capitalist states. It might also be hoped that the strain of war and the shock of defeat would hasten the expected disintegration of capitalism throughout the world.

2. Russian psychological readiness for war. The Russian people have on occasion rallied magnificently to expel foreign invaders from their homeland (e.g., 1812, 1942), but have never successfully waged aggressive warfare against a major power. (In 1814 and 1945 they were carried forward by the momentum of their pursuit of a defeated invader and were powerfully aided by Western allies.)

The Russian people presently dread war, but could be driven to it by the absolute power of their totalitarian state. The war would, of course, be presented to them as essential to their national survival, and few would be in a position to know better. Secure against immediate invasion and ignorant of the potentialities of strategic bomberdment, the vast majority would acquiesce in the decision of the Kremlin, albeit without enthusiasm.

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The immediate psychological reaction of the Russian people to prompt Allied strategic air attack, including the use of atomic bombs, cannot be predicted. The consequent disruption of national life would, however, subject the police control apparatus to severe strain, and sustained strategic bombardment would have cumulative psychological effect. Soviet vulnerability to psychological warfare would increase as time passed without a favorable military decision and as a Western counter-offensive effort got underway. Disaffection in the USSR could not be expected to express itself openly, however, until assured Western support and protection was at hand.

- 3, The situation in the Satellite States. The populations of the Satellite States are thoroughly disaffected toward the Soviet Union. They would welcome war in hope of liberation. The outbreak of hostilities would probably raise a wave of anti-Soviet sabotage, perhaps even scattered insurrections, which would be ruthlessly suppressed. Effective resistance movements could not be developed and maintained until Western forces were in a position to render appreciable support and there was reasonable hope of eventual liberation.
- 4. Yugoslavia. Yugoslavia is a special case. The outbreak of war would pose for Tito the ultimate dilemma. The primary requirement of his position would be to keep Soviet forces out of Yugoslavia. Active participation in the war, either as an ally of the USSR or as an ally of the West, would lead directly to Soviet intervention in Yugoslavia and consequently to Tito's own destruction. Neutrality would result in isolation, merely postponing the day of reckoning to a date more convenient for the USSR. Among these hard choices, indecision and inertia would be on the side of neutrality. Whenever Soviet intrusion occurred, the bellicosity of the Yugoslavs would favor a vigorous guerrilla resistance.
- 5. Communism in the West. Under the Assumptions the political and economic power of the Communist Parties of Western Europe would be substantially neutralized by 1952, but there would remain, especially in Italy and in France, a dangerous fifth column of trained and reliable militants. Their efforts would facilitate the advance of the Soviet armies and contribute materially to the control of civil populations in their rear.
- 6. Communist China. The situation which will exist in China in 1952 is still highly problematical. It has been assumed, with good reason, that the Communists will then control the national government, but that their actual local control over extensive areas and their

relations with Moscow will remain uncertain. Active Chinese participation in the war on the side of the USSR is not a foregone conclusion. Nevertheless, the presumption is that Communist China will cooperate as required with the USSR.

7. Communism in Southeast asia. The situation which will exist in Southeast Asia in 1952 is also problematical. Soviet-aligned nationalists will presumably still control most of Indochina. The existing situations in Burma and Indonesia are particularly susceptible to Communist exploitation and, unless radical solutions are found, this condition will presumably have developed favorably for the USSR by 1952. Western failure to solve these problems would enhance Communist capabilities for mischief in Siam and Malaya.

ECONOMIC

- 8. Industrial capacity, Even if the planned development of Soviet and Satellite industrial production were to be fully realized, the industrial potential of the USSR in 1952 would still be markedly inferior to that of the United States. Soviet and Satellite industrial development is retarded by: shortages of high-production machine tools, industrial equipment, and precision instruments, and of facilities for producing them; shortages of skilled personnel, both technical and managerial; low productivity of labor; rail transport stringency; and shortages of high-grade gasoline and lubricants, of certain ferro-alloys and non-ferrous metals, of certain types of finished steel, and of industrial diamonds. While the outbreak of hostilities would find the Soviet armed forces generally well provided with standard equipment, Soviet and Satellite industry could not meet the requirements of a long war of attrition.
- 9. <u>Valuerability to blockade</u>. The vast continental area controlled by the USSR is relatively invulnerable to blockade, but is under necessity to import, not only certain manufactured items indicated above, but also natural rubber, industrial diamonds, tungsten, tin, cobalt, molybdenum, and high-grade Swedish iron ore. Moreover, it is dependent on Yugoslavia for an adequate supply of lead, zinc, and copper. These needs may be covered to some extent by stockpiling (especially in the case of natural rubber), but would make themselves felt in the event of a long war.
- 10. Transportation. In 1952, Soviet internal transportation will still depend essentially on the railroads, which now carry about 90 percent of all inland freight traffic. Their capacity is barely adequate to meet present industrial needs, and is unlikely to increase at a

greater rate than the expansion of industry. At the outbreak of war this lack of reserve capacity would severely limit the ability of the USSR to support vast armies operating at extreme distances from the centers of Soviet war production. The shift of Soviet industry eastward for greater security actually aggravates this problem and to that extent reduces Soviet offensive capabilities. There is also the handicap of transhipment required by gauge differences between the USSR and the Satellite States.

Because of limited inland transportation facilities the USSR must continue to rely to a considerable extent upon coastal shipping in the Black and Baltic Seas and in the Far East.

Il. Effect of the occupation of Western Burope. Soviet acquisition of the industrial and scientific facilities of Western Europe would greatly enhance the Soviet war potential. The industrial labor force and skilled manpower (technical and managerial) available to the USSR would each be more than doubled. Western European facilities for the production of precision instruments and machine tools would supply critical Soviet deficiencies. Soviet steel capacity would be almost doubled; shipbuilding capacity would be increased five-fold. If these facilities were acquired intact and their peaceful assimilation were permitted, the joint economic power of the USSR and continental Europe could probably be made, in the course of ten years, to equal that of the United States.

No such gain could be realized, however, under conditions of military aggression and continuing war, including demolition, blockade, aerial bombardment, and popular resistance. Deprived of fuel and raw materials which the USSR could not supply from the resources at its command, the industrial plant of Western Europe could function at not more than 60 percent of its 1949 capacity. The effects of demolition, bombing, popular resistance, and general disorganization are less susceptible to estimate, but might be severe.

It may be concluded that the occupation of Western Europe could significantly increase the economic capability of the USSR to support a long war, the actual gain depending on the actual degree of destruction and popular resistance. In any case, the Soviet war machine would remain primarily dependent on the war-industrial capabilities of the homeland.

12. Effect of the occupation of the Near East. The single critical economic consideration in this area is oil. Its acquisition by the USSR

would be important in terms of denial to the West, but of limited direct benefit to the Soviet Union. Because of transportation difficulties, Near Eastern oil could not be made available for use in the USSR and Soviet Europe in any significant quantity, although it could be used to support Soviet forces in the Near East. The most important acquisition, for the USSR, would be the facilities at Abadan for the production of high-grade gasoline and alkylate blending agents. These facilities, however, would be subject to demolition.

MILITARY

(Omitted)

POLITICAL AND PSYCHOLOGICAL

13. The atlantic Pact. It is to be presumed that the Atlantic Pact countries would loyally fulfill their commitments on the assumed outbreak of war. This would include, presumably, an attempt to hold on the line of the Rhine and the Alps pending the arrival of minforcements. The quality of resistance would depend, however, upon the morale of the defenders as well as upon the quality of their organization, equipment, and training. The morals factor is likely to be critical with respect to the continental states directly exposed to Soviet mass attack. Their determination cannot be sustained by promises of eventual liberation and ultimate victory, but will depend on confidence in immediate and decisive support. If the idea, which the Communists will assiduously propagate, that the United States will defend the Rhine to the last Frenchman, should ever take hold; the moral effect would be disastrous and a collapse of resistance comparable to that in 1940 might well ensue.

In this event the analogy to previous experience, 1940-44, might be carried further, with this difference, that European forces outside of Europe would be disposed to continue the fight against Communism without question. Underground resistance within Europe might be slower in developing without the benefit of Communist leadership and conspiratorial skill and under experienced and ruthless Soviet police control, but would develop as Western counter-offensive action gave promise of approaching liberation.

14. Sweden and Switzerland. These countries would cling to a policy called neutrality, but actually directed toward avoidance of Soviet attack on any terms short of national surrender. If attacked, however, they would resist to their utmost ability.

- 15. Ireland. The Irish would at least support the West by measures short of war, and might well be persuaded to become co-belligerent.
- 16. Spain. Having no hope of accommodation with the USSR, Spain would seize the opportunity to escape from isolation into active elliance with the Atlantic Powers and would offer fanatical resistance to Soviet invasion.
- 17. Turkey. If not attacked, Turkey would probably seek to postpone involvement in the war, but not at the cost of isolation from the West or of fatal concessions to the USSR. If attacked, the Turks would resist to their utmost ability.
- 18. Greece and Iran. The frontal resistance of these countries to Soviet invasion would be shortlived, but guerrilla resistance would probably continue, its effectiveness varying with the availablity of support.
- 19. Irac. Syria. and Lebanon. The political situation in these countries is extremely unstable. They would seek to avoid involvement in the war, but would be psychologically as well as militarily incapable of offering effective aid or resistance to either the West or the USSR.
- 20. Israel. Israel's position is one of neutrality between the East and West. Western ties are predominant so far, however, and, if compelled to take sides, Israel would probably align itself with the West.
- 21. Egypt. Transfordan, and Saudi Arabia. These states would be effectively aligned with the West, though in a passive role unless actually invaded. Egypt is vulnerable to subversion.
- 22. Africa. The African continent may be regarded as securely controlled by the West, at least during the first phase of the war, despite the existence of certain potential foci of disaffection. South Africa would participate actively in defense of the continent.
- 23. The Indian Region. Afghanistan, Pakistan, and India would endeavor to remain neutral, but would resist attack. Ceylon would be aligned with the West.
- 24. Southeast Asia. The situation in this area in 1952 is problematical, especially so with respect to Burma and Indonesia. Sovietaligned native nationalists are likely to control Indochina, excepting perhaps the environs of the principal cities. Siam will probably remain

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anti-Soviet, but officially neutral. British control of Malaya is likely to be secure. The Philippines will be aligned with the United States.

- 25. Australia and New Zealand. These Dominions would take active part in the war in support of Great Britain.
- 26. Korea. The regime in South Korea would be US-aligned, but could offer no serious resistance to Soviet invasion.
- 27. Japan. The Japanese would support US defense of Japan, not only by reason of traditional Russophobia and anti-Communism, but also in hope of rehabilitation as the premier military power in East Asia.
- 28. Latin America. The Latin American states would support the United States within the framework of the Rio Treaty, in various degrees of effective cooperation.

29. Recapitulation.

- a. Probable allies: the participants in the North Atlantic Pact, Ireland, Spain, Greece, Turkey, Iran, Egypt, Transjordan, Saudi Arabia, South Africa, Ceylon, Australia, New Zealand, the Philippines, Korea, Japan, and Latin America.
- b. Uncertain or neutral: Sweden, Switzerland, Iraq, Syria, Lebanon, Israel, Afghanistan, Pakistan, India, Burma, and Siam,

ECONOMIC

- 30. General. The Allied economic capability to support a long war is greatly superior to that of the USSR. Given effective organization and advanced planning for the optimum utilization of available resources, no insuperable economic difficulties should limit allied military capabilities. The principal factors of strength in the Allied position would be a markedly superior industrial potential and commercial access to all the material resources of the world outside the area of actual Soviet occupation. The principal weakness would be an inescapable dependence on overseas shipments, often at long distances, with consequent loss of time and effort, limitation in terms of availability of shipping, and exposure to Soviet submarine attack.
- 31. Effect the loss of European industry. The war industrial strength of the Allies would be located in the United States, Canada,

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and the United Kingdom. Loss of continental European industrial potential (with simultaneous relief from responsibility for supporting the civilian economy of that area) would not seriously affect the war potential of the Allies. The possible reduction of Pritish production by heavy and persistent air and missile attack would be more serious, but not fatal:

32. Effect of the loss of Near East oil. Loss of the oil production of the Near East would be a severe blow to the Allied war effort, although its effect would be cushioned to some extent if responsibility for supplying oil to Western Europe were eliminated at about the same time. The oil resources remaining available would be sufficient to meet Allied needs, but the inconvenience and risk involved in long overseas shipments would hinder the conduct of the war.

33. Effect of the loss of Southeast Asian resources. The adverse effect of the denial of these resources (principally natural rubber, tin, and oil) would not be insuperable (they have been lost before, 1942-45), but the diversion of effort that would be required to make up for the loss would be hampering.

MILITARY

(Omitted)